Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

October 25, 1999

Re: Second and Final Notice for Payment of Permit Fees, Minerals Regulatory
Program

Dear Permittee:

On June 30, 1999, we sent you a notice that the Utah Division of Oil, Gas and Mining was again implementing the collection of annual permit fees as authorized by the Utah State Legislature during its 1998 legislative session. The purpose of the fee collection is to provide funding for additional program support in processing and maintaining mining and exploration permit applications. A billing statement was enclosed with the notice directing you to return your assessed permit fee by July 31,1999. All operators with active permits on file with this office were notified accordingly. To date, our records indicate we have not received your payment. The enclosed "delinquency notice" is being sent as a courtesy to remind you that your fee payment is now overdue.

Because we have not been notified otherwise, we must assume that your original billing notice was misplaced or mistakenly discarded. Please detach and return the lower portion of the enclosed *second* billing notice along with your check or money order for the assessed fee.

All permit fees which remain uncollected 30 days after the enclosed billing notice due date will be turned over to the Utah Office of Debt Collection (ODC) for further action. An operator's failure to pay permit fees will also suspend his authorization to conduct exploration and/or mining operations.

The following rates and supplemental costs will be applied to delinquent accounts that are referred to the ODC for collection:

- ► Penalty 8% of the outstanding receivable
- Interest 8% per annum on the unpaid balance
- ► Collection fee 12.75%

In addition to the assessment of delinquency payment penalties, the Division may pursue legal proceedings before the Board of Oil, Gas and Mining to formally *revoke* your permit. Permit revocation would *terminate your permit and your authorization to explore and/or mine* the lands under the approved permit. However, *you would retain full reclamation responsibility* for all outstanding surface disturbances created on the site(s).

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Thank you for your cooperation in this regard. If you have questions or concerns with this notice or believe you have been billed in error, please contact me at (801) 538-5306, Wayne Hedberg, Permit Supervisor at (801) 538-5286, or Joelle Burns, Engineering Technician at (801) 538-5291.

Sincerely,

Mary Ann Wright

Associate Director, Mining

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Enclosure: Delinquency Notice

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Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

DUTSON SUPPLY CO 790 W MAIN DELTA UT 84624

ATTENTION: ROBERT CLARK

DELINQUENCY NOTICE	Annual Permit Fees (July 1999 thru June 2000)				
PROJECT NAME	PROJECTID	ACRES	BILLING DATE		
BACKSIDE/VALLEY/NORTHSIDE/LEAS	S270047	NA	06/30/1999 ANNUAL FEE		
PERMIT TYPE	PROJECT STATUS				
SMALL MINING OPERATION < 5 ACRES	ACTIVE		\$ 100		
			PAST DUE		
			\$ 100		
	D	UE DATE	AMOUNT DUE		
	11/2	26/1999	\$ 200		

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

DUTSON SUPPLY CO			PROJECT NAME		PROJECT ID S270047			
			BACKSIDE/VALLEY/NORTHSIDE/LEAS					
DUE DATE	ANNUAL FEE	PAST DUE	AMOUNT DUE	FEE NOT ENCLOSED	Change of Address			
11/26/1999	\$ 100	\$ 100	\$ 200	Permittee requests an inspection to close	Contact			
DIVISION OF OIL GAS AND MINING				Address				
				9				
1594 WEST NORTH TEMPLE SUITE 1210 PO BOX 145801					State	Zip		
SALT LAKE CITY UT 84114-5801					Phone	A CHE THE RESERVE		
						Please make	check pavable to:	

Division of Oil, Gas and Mining